# The Young Cambodian Consumer:
## *Spending in the Age of COVID-19*

*A collaborative research project completed by MRTS Consulting in Cambodia and Stereoscope Ltd in the UK*

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# The Young Cambodian Consumer : Spending in the Age of COVID

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## Consumer spending

Our first set of questions asked about overall spending confidence, as well as actual spend levels. We also asked about the product categories that consumers have favoured.

### Confidence in spending

Despite the ongoing uncertainty of the current times, including job security and income, the surveyed consumers overall were moderately confident about continuing to spend money on consumer goods. Only around 11% felt ‘not at all confident’ about such spending, with the majority falling into the ‘fairly confident’ category.

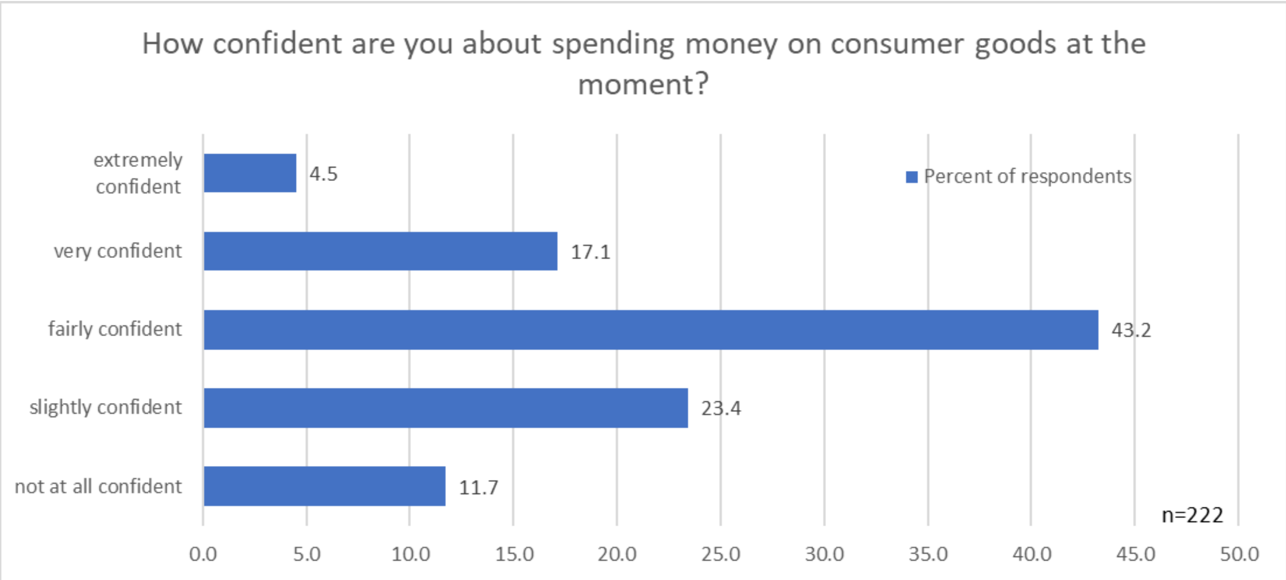


Fig. 1 Confidence in spending on consumer goods

Whilst no age group feels overwhelmingly confident, younger respondents appear generally more confident than older ones. Older respondents (30yrs+) appear to clearly feel only ‘slightly’ or ‘fairly’ confident in their consumer spending.

Our research shows little differentiation in spending confidence between respondents from Phnom Penh and the regions, or between men and women.

Data on confidence is interesting, because while confidence overall remains moderate, we can also see that there has been a clear and substantive impact in actual spend levels on different consumer goods categories. This would suggest perhaps that any recent impact is not deep rooted or permanent.

### Spending on consumer goods: the last 6 months

Our survey looked in detail at different consumer retail categories, to draw out where the most substantial changes have occurred in the last 6 months.

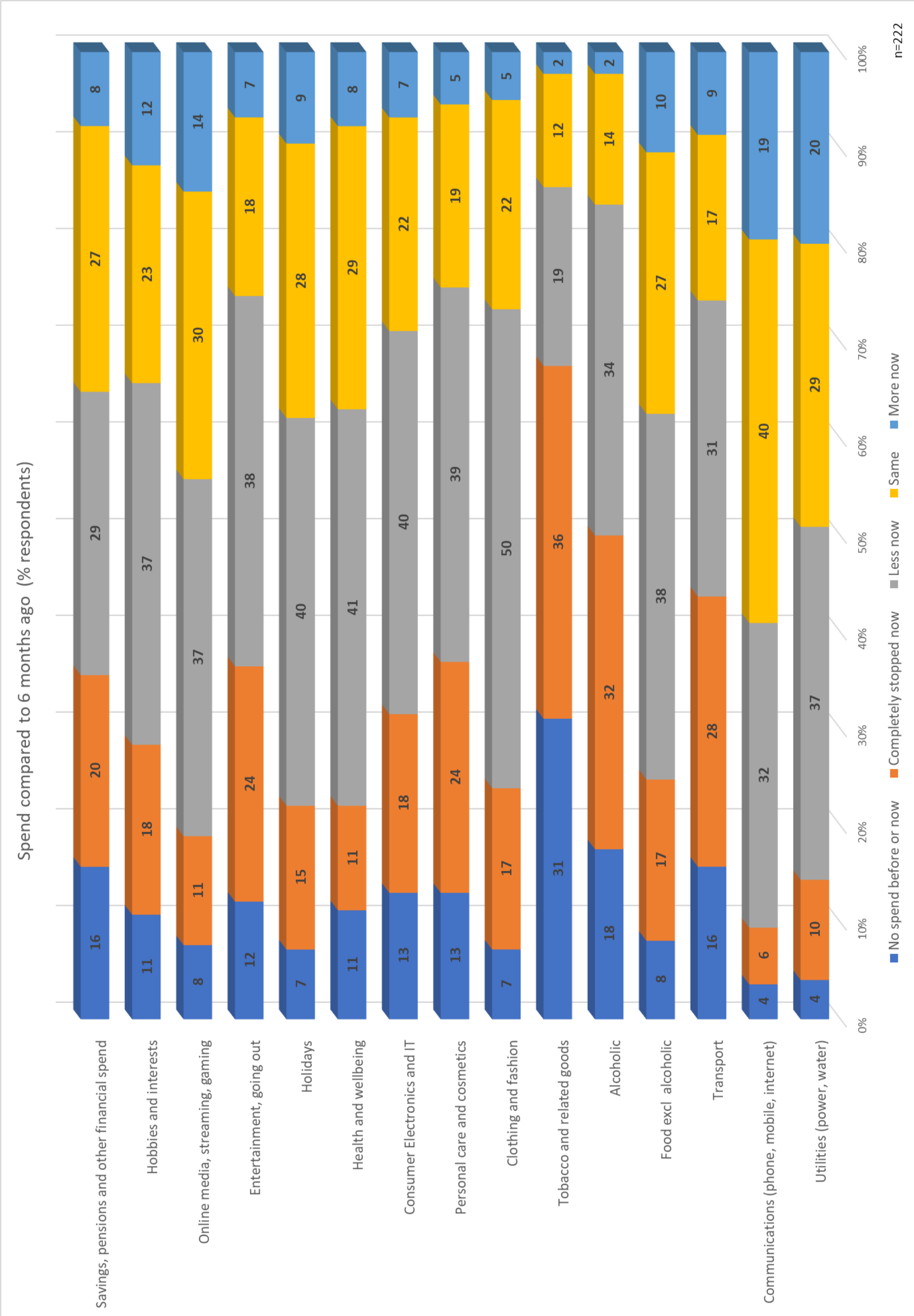


FIG. 2 CONSUMER SPENDING BY CATEGORIES COMPARED TO 6 MONTHS AGO

For each consumer category, we asked whether their spend has increased, stayed the same, decreased, or completely stopped. We also noted that some respondents did not have any previous level of spend anyway.

The first overall observation is that for nearly every category, there has been a significant fall in respondents reporting that they have been spending on that category in the last 6 months.

In this context of a 'realignment of spending priorities', some categories have fared better than others.

- Communications (phone, mobile, internet): 59% of respondents have maintained or increased their spend.

- Utilities (power etc): some 49% of respondents have maintained or increased their spend.

Both these above categories have the highest percentage of respondents who have actually increased their spend.

- Online media has also fared reasonably, where 44% of respondents have maintained or increased their spend

All the above categories can be thought of as related to people spending more time at home during the pandemic, and so become a more important category in people's lives.

Every other consumer category in the survey experienced a significant percentage of respondents who reduced their spending, or even completely stopped spending.

Those categories where the highest proportion of respondents have completely stopped spend compared to 6 months ago can be those thought of more as 'discretionary spend' and include:

- Tobacco and related goods: 36% of our sample have completely stopped spending

- Alcohol: 32% of our sample have completely stopped spending

Transport is an interesting category, which might be expected to suffer due to changed travelling during the pandemic (for work or recreation). 28% of our sample have completely stopped spending, and another 31% have reduced their spend.

We can also look at the data in terms of a 'net shift': the proportion of respondents increasing spend versus the proportion reducing or stopped spending.

Looked at through this lens, categories that have suffered the most include:

- Alcohol: 2% of respondents have increased their spend vs 67% who have reduced or stopped spend.

- Clothing & Fashion: 5% of respondents have increased their spend vs 66% who have reduced or stopped spend.

- Personal Care & cosmetics: 5% of respondents have increased their spend vs 62% who have reduced or stopped spend.

- Entertainment & going out: 7% of respondents have increased their spend vs 63% who have reduced or stopped spend.

# Annex 2: MRTS and Stereoscope

## MRTS Consulting

MRTS Consulting Ltd (MRTS) is a professional market research and strategy consulting company headquartered in Cambodia. Our founder has over 15 years of experience in market research in Cambodia and strong knowledge of local markets which can help our clients with insights, trends and winning strategies for growth—whether you need to understand market dynamics, identify new opportunities, or increase your profitability.

We use cutting edge technology for our market research projects to ensure accuracy and reliability of data collection, and our highly experienced and trained team help find deep insights to help you improve your business.

MRTS is the first and only company in Cambodia that runs Online Panel for Market Research in Cambodia. We developed our platform with Double Opt-in Verification and members are recruited from different channels to ensure good representation. We provide our clients with a cost saving and speed solution for data collection from Cambodia market.

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## Stereoscope Ltd

Stereoscope Ltd was founded in 2019 in the UK by Phil Todd to provide outstanding independent market research, market strategy, operations support, and market consulting. We work broadly in the vertical markets of communications, telecoms, media, and digital technology.

Stereoscope supports clients' tactical and strategic market strategy with design and implementation of market research, support of inhouse research teams, as well as operational and interim support.

Previously Phil was Managing VP for IoT Markets with Gartner, and Global Director of Client Research at The Economist Intelligence Unit. He has worked widely across the technology sector, as well as in publishing, macro-economics and country analysis, and finance sectors.

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